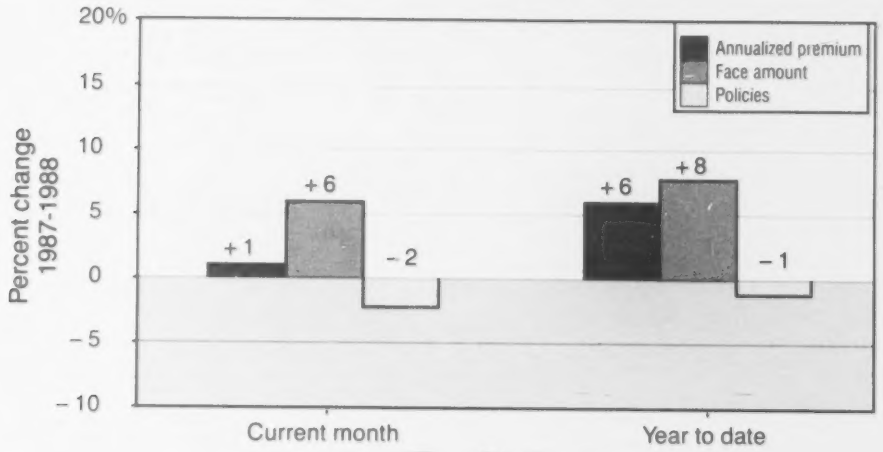
A6225-R
Wicks
I/R Code 47.40
October 1988

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

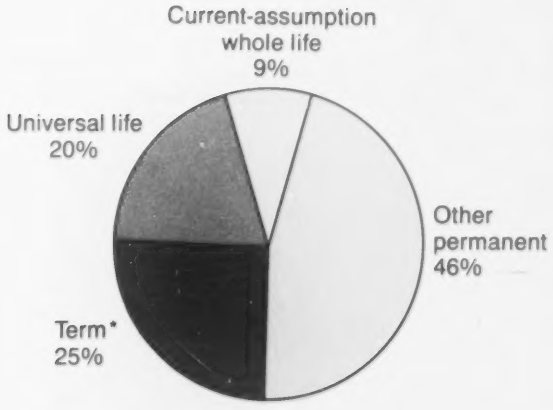
Individual Sales

37 Companies

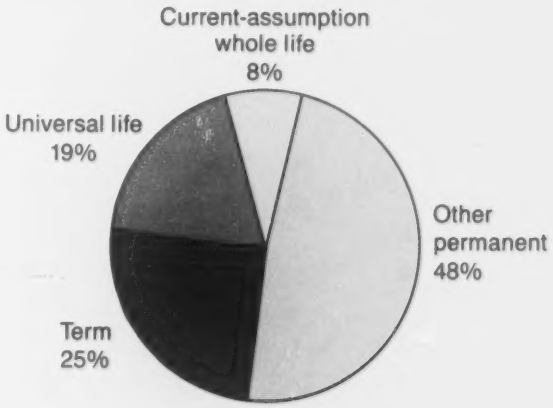


Annualized Premium Market Share by Product

26 Companies Representing 82 Percent of October Sales



Current month



Year to date

*For the 15 companies that sell the product and supply data, "permanent term" ("term to 100") makes up 14 percent of total October 1988 sales.

LIMRA® INTERNATIONAL

Profit from our research.

Individual Sales (cont.)

Sales Comparisons with Last Year

Ratio 1988/1987

		Annualized premiums	Face amount	Number of policies
Term (22 cos.)	Month	122%	119%	110%
	Year to date	118%	120%	115%
Universal life (19 cos.)	Month	116%	126%	122%
	Year to date	132%	145%	128%
Current-assumption whole life (11 cos.)	Month	95%	92%	93%
	Year to date	84%	80%	85%
All other permanent (21 cos.)	Month	86%	85%	87%
	Year to date	95%	94%	91%

Policy Characteristics by Product

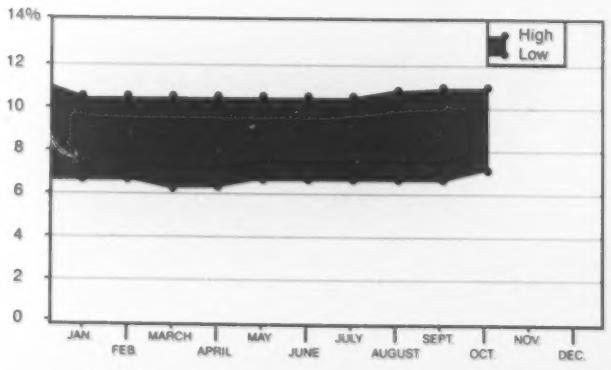
		Premium per $1,000	Average size policy	Premium per policy
Term (22 cos.)	Month	$ 3.52	$157,555	$554
	Year to date	$ 3.54	$151,792	$538
	Year-to-date ratio	99%	104%	103%
Universal life (19 cos.)	Month	$ 8.52	$ 86,946	$740
	Year to date	$ 8.86	$ 88,420	$783
	Year-to-date ratio	91%	113%	103%
Current-assumption whole life (11 cos.)	Month	$ 6.61	$ 55,525	$367
	Year to date	$ 6.56	$ 55,172	$362
	Year-to-date ratio	106%	94%	100%
All other permanent (21 cos.)	Month	$10.83	$ 48,262	$523
	Year to date	$10.74	$ 50,019	$537
	Year-to-date ratio	101%	104%	104%
Total sales (37 cos.)	Month	$ 6.77	$ 81,944	$555
	Year to date	$ 6.75	$ 82,921	$560
	Year-to-date ratio	98%	109%	107%

Universal Life

Interest Rates This Month

Median	9.5%
Range	7.0%–11.0%
Range of middle 50%	9.0%–10.0%
Number of cos. reporting rates	15
Number of plans reported	35
Number of new plans	0
Number of plans dropped	0
Number of plans showing . . .	
No change	30
Increases	4
Average increase	0.3%
Decreases	1
Average decrease	0.2%

1988 Interest Rate Range



Individual Sales (cont.)

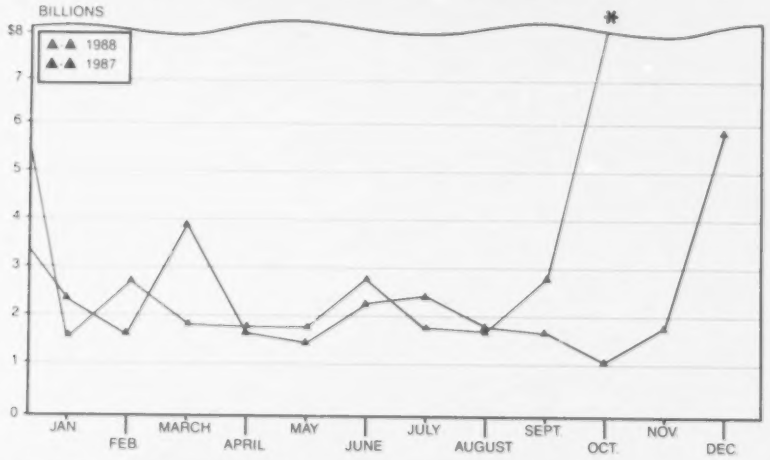
Contributors' Growth Rates

Change in Annualized Premium
Year to Date

Percent change 1987–1988	Number of . . . Group I cos.	Group II cos.	Group III cos.	All cos.
21% or over	2	3	9	14
11% – 20%	0	3	1	4
1% – 10%	2	1	2	5
– 9% – 0	5	6	0	11
– 19% – – 10%	1	0	0	1
– 20% or under	0	1	1	2

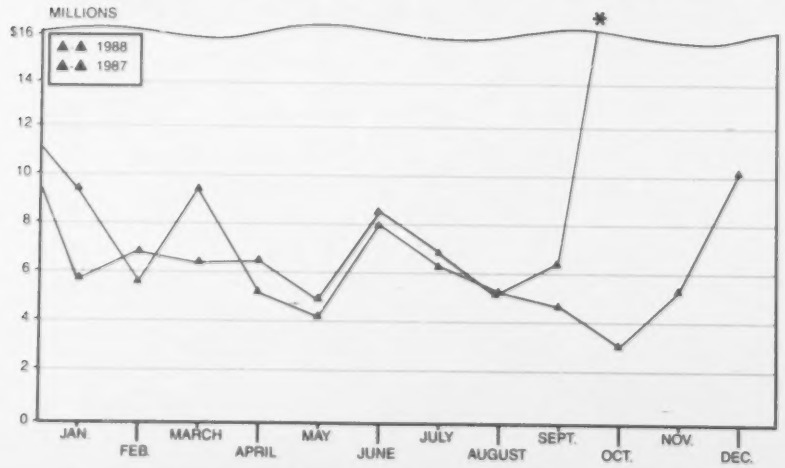
Group Sales

Face Amount – 16 Companies



*Includes one large case for over $5.8 billion in face amount.

Annualized Premium – 13 Companies



*Includes one large case for $25 million in annualized premium.

October Sales*

		Annualized premium (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988 –	1987	1988
Total ordinary life	Month	$ 47,390	$ 47,890	$ 6,697,491	$ 7,075,790	88,295	86,349
	Year to date	$421,746	$446,100	$61,117,017	$66,081,283	804,986	796,923
Ordinary – Group I	Month	$ 29,033	$ 28,627	$ 3,816,269	$ 3,838,461	54,545	51,914
	Year to date	$253,601	$258,827	$33,221,169	$34,788,309	490,463	467,136
Ordinary – Group II	Month	$ 14,458	$ 14,288	$ 2,240,516	$ 2,335,895	25,630	24,044
	Year to date	$132,151	$141,868	$21,640,444	$23,104,979	239,483	240,713
Ordinary – Group III	Month	$ 3,899	$ 4,975	$ 640,706	$ 901,434	8,120	10,391
	Year to date	$ 35,994	$ 45,405	$ 6,255,404	$ 8,187,995	75,040	89,074
Group life	Month	$ 3,022	$ 31,041	$ 1,041,203	$ 8,137,532	–	–
	Year to date	$ 60,039	$ 86,372	$20,300,768	$27,599,207	–	–

*Includes one large group case for $25 million in annualized premium and over $5.8 billion in face amount.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance – annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 37 companies plus six subsidiary companies operating in Canada. The contributors represent 81 percent of the 1986 Canadian ordinary volume sold and 85 percent of first-year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 16 companies operating in Canada. The contributors represent 64 percent of the 1986 Canadian volume of new or amended group contracts.

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Contributors

GROUP I

Canada Life*
Great-West Life*†
Industrial-Alliance Life*†
(includes North West Life of Canada)
London Life*†
Manufacturers Life†
Metropolitan Life*†
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
North American Life (Canada)
Prudential of America*†
Sun Life of Canada*†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
Prudential of England*†
(includes Prudential Life of England)
Seaboard Life†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

GROUP II

Ætna Canada (Excelsior Life)†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
(includes Royal Life of Canada)
La Sauvegarde*†
La Solidarite
State Farm Life†
L'Union-Vie†

GROUP III

Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins*
COLONIA Life†
Equitable Life of Canada
Financial Life of Canada†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

*Company contributes both ordinary and group data

†Company is included in product market share chart

Companies contributing group data only: Ætna-Vie and Laurentian/Imperial

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